

## October 11, 1994 Retro Advisory Committee Meeting:

In attendance:

Jim Nunn  
Mike Sotelo  
John Sweitzer  
Tom Kwieciak  
Gene Vosburg  
Donna Ganders

Guests:

Mike Frazier, WA Retail Association  
Rita Norton, Timber Operators Council  
Rob Sumner, Timber Operators Council  
Joanne Collier, WCLA  
Dee Dee Edwards, Pederson Fryer Farms  
Cliff Finch, AWB  
Bill White, Senior Actuary, L&I  
Myrna North, Retro Coordinator, L&I

Kathy Kimbel provided updates on two projects:

**Worksafe Washington:** The project began October 1, 1994, with AGC, with six employers enrolled. It will be reviewed after the first quarter to evaluate if they qualify for the upfront discount. This is a one year pilot, the discount amount is 15% for one year.

**DSHS Upfront Discount:** This was mandated by the legislature with the objective to reduce accidents and time-lost from work with DSHS. The agreement is still in draft stage and has not yet been signed by the Director of Labor and Industries. Kathy Kimbel will inform the Retro Advisory Committee when this document has been signed.

### **Bob Lanouette - Electronic Access**

Bob presented information on two decision packages that will be submitted to the legislature for the next biennium. The first is to increase customer service to external customers. This will improve community based claims processing, i.e., moving claims staff into the field with Imaging. The other is an electronic data interchange which will provide external access to information. A group would be selected to pilot the external access to information. A group would be selected to pilot the external access to information in the database. Issues still being discussed at this time are security and confidentiality.

As a part of the pilot, a voice recognition system for external customers to call into would be considered, as well as computer access for external customers to the L&I database. A feasibility study will be completed to determine the needs of the external customer for this access.

### **Sara Spiering - Imaging Update**

Sara provided handouts pertaining to the Imaging project. As of October 13, 1994 unit A - Z claims staff, the asbestos, chemical related illness, and L&I employee unit are fully implemented onto the Imaging system. The advantages to the Imaging system are being able to see documents within five working days, the ability to sort documents by date or document type, and the ability to fax a document from the system to the person requesting the document. The system is designed for input of 30,000 pages a day.

### **Kathleen Flaherty - Investigations**

Kathleen shared information regarding the goals of the Investigations unit. The supervisors of Investigations meet together as a team and discuss issues/priorities. The investigations assignments are generated from the claims units and fluctuate between all different types of investigations for various reasons. About 50% of the Investigations staff are assigned to activity checks and fraud, the other 50% are assigned to validity investigations. A small portion of staff are assigned to WISHA and Industrial Insurance discriminations. The investigations assignments are reviewed by the claims supervisor and then by the assigned investigator to determine if the request is valid. Any further questions/comments can be addressed to Kathleen at (206) 956-5157.

### **Bill White - Overview of Proposed Retro WAC changes**

The Retrospective Rating program is looking to propose some changes to the administrative codes governing the administration of this program. The suggested changes are:

- 1) To include interest in the calculation of retrospective premium adjustments.
- 2) To eliminate one of the five plans, Plan B, which favors large accounts at the expense of small accounts.
- 3) To realign the premium size grouping to achieve more equitable treatment of participants of different premium sizes.
- 4) To cap claim costs at a maximum of \$500,000 per claim in computing retrospective rating adjustments.

- 5) To eliminate confusion and clearly state that there are two mandatory adjustments for each coverage year. Remove unclear language which speaks to adjustments between evaluation dates.

Discussion regarding the \$500,000 maximum will continue at the next Retro Advisory Committee meeting. The department has rule making authority for the WAC changes through the public hearing process. The changes would be effective in April and can be reviewed again at the December committee meeting.

**Next Agenda:**

Loss Control Reports  
Imaging in Retro  
WAC changes

**The next meeting will be on Tuesday, December 13, 1994**, from 9:00 - noon at the Department of Labor and Industries in Tumwater - Room N262.